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COUNSEL TO THE DEBTORS

IN THE UNITED STATES BANKRUPTCY COURT FOR THE WESTERN DISTRICT OF TEXAS MIDLAND DIVISION

In re: Case No. 25-90001-mxm11 **§ § § § §** SCANROCK OIL & GAS, INC., et al, U.S. Bankruptcy Court for the Northern District of Texas, Fort Worth Debtors.¹ Division (Chapter 11) Jointly Administered WELL CASTLE LIMITED, ADVERSARY PROCEEDING Plaintiff. NO: _____ § § § v. RYAN DRILLING, LLC, Removed from the 385th Judicial INDIVIDUALLY AND *d/b/a* District Court for Midland County Texas, Cause No. CV55526 O'RYAN DRILLING: O'RYAN HEAVY HAUL, LLC; O'RYAN FAMILY LIMITED PARTNERSHIP; RYAN C. HOERAUF, INC. d/b/a O'RYAN OIL & GAS: RYAN C. HOERAUF INDIVIDUALLY, AND AS

¹ The debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, if any, are: Scanrock Oil & Gas, Inc. (0380); EON Production, LLC (0136); O'Ryan Family Limited Partnership (1913); O'Ryan Production & Exploration Ltd. (9950); O'Ryan Ponderosa, LLC (1476); Ryan C. Hoerauf, Inc. (0493); and Smackover Oil Treaters, Ltd. (9529); O'Ryan Ranches, Ltd. (7184); O'Ryan Ranches, LLC (6467); and O'Ryan Oregon Ranches, LLC. The location of the Debtors' service address is 8180 Lakeview Center, Ste. 300, Odessa, TX 79765. More information about the Debtors, and copies of pleadings in the abovecaptioned bankruptcy case, may be obtained on the website of the Debtors' proposed noticing agent, Stretto, Inc., at: https://cases.stretto.com/scanrock.

TRUSTEE OF THE AMBER HOERAUF TRUST AND THE MATHEW HOERAUF TRUST; LEASE SUPERVISORS, LLC; DEANNA K. HOERAUF; O'RYAN PRODUCTION & EXPLORATION, LTD.; O'RYAN OREGON RANCHES, LLC; O'RYAN RANCHES, LTD.; O'RYAN RANCHES, LLC; RYAN PROPERTIES, INC.; O'RYAN MISSION, LTD.; RYAN MISSION, INC.; RYAN E&P MANAGEMENT, INC.; O'RYAN PONDEROSA, LLC; EON PRODUCTION, LLC; SCANROCK OIL & GAS, INC.; SMACKOVER OIL TREATERS, LTD.; AND SAGE FOUNTAIN HILLS PARTNERS, LLC

Defendants.

CONSOLIDATED WITH

CAUSE NO. CV57838

ARNOLD OIL COMPANY FUELS, LLC, ADVERSARY PROCEEDING Plaintiff, NO: v. RYAN DRILLING, LLC; O'RYAN Removed from the 385th Judicial HEAVY HAUL, LLC; O'RYAN District Court for Midland County Texas, Cause No. CV57838 FAMILY LIMITED PARTNERSHIP; RYAN C. HOERAUF, INC. d/b/a O'RYAN OIL & GAS; RYAN C. HOERAUF INDIVIDUALLY, AND AS TRUSTEE OF THE AMBER HOERAUF TRUST AND THE MATHEW HOERAUF TRUST; LEASE SUPERVISORS, LLC; DEANNA K. HOERAUF; O'RYAN PRODUCTION & EXPLORATION, LTD.: O'RYAN OREGON RANCHES, LLC; O'RYAN RANCHES, LTD.; O'RYAN RANCHES, LLC; RYAN PROPERTIES, INC.; O'RYAN MISSION, LTD.; RYAN MISSION, INC.; RYAN E&P

MANAGEMENT, INC.; O'RYAN

PONDEROSA, LLC; EON PRODUCTION, LLC; SCANROCK OIL & GAS, INC.; SMACKOVER OIL TREATERS, LTD.; AND SAGE FOUNTAIN HILLS PARTNERS, LLC

Defendants.

CONSOLIDATED WITH CAUSE NO. CV54833 O'RYAN HEAVY HAUL, LLC, Plaintiff, NO: NO: Removed from the 385th Judicial L.P. AND IRONPLANET, INC. Removed from Midland County Texas, Cause No. CV54833 Defendants.

NOTICE OF REMOVAL

TO THE HONORABLE U.S. BANKRUPTCY JUDGE:

COME NOW Scanrock Oil & Gas, Inc.; O'Ryan Family Limited Partnership; O'Ryan Production & Exploration, Ltd.; Ryan C. Hoerauf, Inc.; Smackover Oil Treaters Ltd.; O'Ryan Ponderosa, LLC; EON Production, LLC (the "Oil and Gas Debtors"); and O'Ryan Ranches, LLC and O'Ryan Oregon Ranches, LLC (the "Oregon Debtors" and, collectively, the "Debtors"), file this their *Notice of Removal* (the "Notice") and, pursuant to Rule 9027 of the Federal Rules of Bankruptcy Procedure, would respectfully show the Court as follows:

1. On February 3, 2025, Scanrock Oil & Gas, Inc. and O'Ryan Ranches, Ltd. filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division (the "Home Court"). On February 9, 2025, EON Production, LLC; O'Ryan Family Limited Partnership; O'Ryan

Production & Exploration, Ltd.; O'Ryan Ponderosa, LLC; Ryan C. Hoerauf, Inc.; and Smackover Oil Treaters Ltd. filed for chapter 11 in the Home Court for all of the Debtors to be jointly administered. On April 25, 2025, O'Ryan Ranches, LLC and O'Ryan Oregon Ranches, LLC filed voluntary petitions for chapter 11 in the Home Court for all of the Debtors to be jointly administered under Bankruptcy Case No. 25-90001-mxm11 (the "Bankruptcy Cases"). The Debtors continue to operate their businesses and to manage their estates (the "Estates") as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

- 2. Cause No. CV55526 (the "Well Castle State Action") was filed by Well Castle Limited and Cause No. CV57838 (the "Arnold Oil State Action," and collectively with the Well Castle State Action, the "Debtor Defendant State Actions") was filed by Arnold Oil Company Fuels, LLC (together with Well Castle Limited, the "Plaintiffs") and on October 27, 2022, the Arnold Oil State Action was consolidated with the Well Castle State Action under Cause No. CV55526. Cause No. CV54833 was filed by O'Ryan Heavy Haul, LLC (the "Counterclaim State Action," and collectively with the Debtor Defendant State Actions, the "State Court Actions") and was consolidated with the Debtor Defendant State Actions on November 29, 2022 under Cause No. CV55526. On January 18, 2024, the Plaintiffs each filed a petition in the consolidated proceedings naming the Debtors among the defendants. The State Court Actions are consolidated in the 385th Judicial District Court for Midland County, Texas (the "State Court").
- 3. By this Notice, the Debtors hereby remove the State Court Actions to this Court pursuant to Rule 9027(a) of the Federal Rule of Bankruptcy Procedure and 28 U.S.C. § 1452. Although the Debtors' Bankruptcy Cases are pending in the Home Court, Rule 9027(a) requires that the State Court Actions be removed to this Court in the first instance. The Debtors

anticipate immediately moving to transfer venue from this Court to the Home Court, subject to all rights and arguments of the Plaintiffs as to jurisdiction, remand, and otherwise.

- 4. The Debtors effectuate this removal because (i) the Debtors are named defendants in the Debtor Defendant State Actions; (ii) the causes of action asserted in the Debtor Defendant State Actions for fraudulent transfer under the Texas Uniform Fraudulent Transfer Act, which are property of the Estates under the authority of *In re MortgageAmerica Corp.*, 714 F.2d 1266 (5th Cir. 1983); and (iii) the Counterclaim State Action has been consolidated with the Debtor Defendant State Actions.
- 5. The Home Court, and therefore this Court, has jurisdiction of the State Court Actions under 28 U.S.C. § 1334 because this matter involves claims, counterclaims, and crossclaims asserted (and/or to be asserted) against the Debtors that will affect the administration of the Estates, relate to the Estates, will affect the assets and liabilities of the Estates, and will liquidate alleged claims against the Estates as well as the Estates' claims against the other parties to the State Court Actions. Such jurisdiction is core under 28 U.S.C. § 157(b)(2).
- 6. To the extent that any matter in this action is not core, the Debtors consent to this Court's entry of final judgment over such matter.
- 7. Venue of the State Court Actions, as removed, is appropriate before this Court under Federal Rule of Bankruptcy Procedure 9027(a)(1) and 28 U.S.C. §§ 1408 and 1409.
- 8. This Notice is filed in this Court, and the State Court Actions are removed to this Court, because of the District Court's standing order of automatic reference of suits to this Court over which this Court has jurisdiction under 28 U.S.C. § 1334.
 - 9. This Notice is timely filed.

- 10. A copy of this Notice, as filed in this Court, is also filed in the State Court Actions. Pursuant to Rule 9027(c) of the Federal Rules of Bankruptcy Procedure, no further proceedings or actions shall be taken in the State Court Action.
- 11. Pursuant to Rule 9027(e)(2), and in light of the record of the State Court Actions and the costs associated therewith, the Debtors have not attached to this Notice copies of all pleadings in the State Court Actions. The Debtors stand ready to do so as may be ordered by this Court or the Home Court, in the event of a transfer of venue.
- 12. Any portion of the State Court Actions not removed to this Court shall remain stayed pursuant to 11 U.S.C. § 362(a).

WHEREFORE, the Debtors hereby remove the State Court Actions to this Court.

[Remainder of page intentionally left blank]

RESPECTFULLY SUBMITTED this 2nd day of May, 2025.

MUNSCH HARDT KOPF & HARR, P.C.

By: /s/ Davor Rukavina

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CERTIFICATE OF SERVICE

I certify that, on May 2, 2025, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Western District of Texas, and by U.S. first class mail, postage prepaid, and by e-mail, on the following counsels for the parties:

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By: <u>/s/ Garrick C. Smith</u>
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